EURONET WORLDWIDE INC
Form POS AM
November 10, 2005

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**As filed with the Securities and Exchange Commission on November 10, 2005**

**Registration No. 333- 122297**

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, DC 20549**

**POST-EFFECTIVE AMENDMENT NO. 4**

**TO**

**FORM S-3**

**REGISTRATION STATEMENT**

***UNDER***

***THE SECURITIES ACT OF 1933***

**EURONET WORLDWIDE, INC.**

**(Exact name of registrant as specified in its charter)**

| | |
|---|---|
| **Delaware**<br>**(State or other jurisdiction of incorporation)** | **74-2806888**<br>**(I.R.S. Employer Identification No.)** |

**4601 College Boulevard, Suite 300**

**Leawood, Kansas 66211**

**(913) 327-4200**

**(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)**

**Daniel R. Henry**

**Chief Operating Officer and President**

**Euronet Worldwide, Inc.**

**4601 College Boulevard, Suite 300**

**Leawood, Kansas 66211**

**(913) 327-4200**

**(Name, address, including zip code, and telephone number, including area code, of agent for service)**

*Copies to:*

**Jeffrey B. Newman**

**Executive Vice President and General Counsel**

**Euronet Worldwide, Inc.**

**2nd Floor, Kelting House**

**Southernhay, Basildon**

**Essex SS14 1NU**

**United Kingdom**

**Approximate date of commencement of proposed sale to the public:** From time to time after the effective date of this Registration Statement.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. ¨

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box. x

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act of 1933, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act of 1933, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box. ¨

**The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.**

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**The information in this prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.**

**SUBJECT TO COMPLETION, DATED NOVEMBER 10, 2005**

**PROSPECTUS**

**$140,000,000**

**Euronet Worldwide, Inc.**

**1.625% Convertible Senior Debentures Due 2024**

**Common Stock Issuable upon Conversion of the Debentures**

We issued and sold $140,000,000 aggregate principal amount of 1.625% Convertible Senior Debentures Due 2024 in a private offering on December 15, 2004. This prospectus may be used by selling security holders to sell the Debentures and common stock issuable upon conversion of the Debentures. The shares of common stock include preferred stock purchase rights attached to the common stock under our stockholder rights plan. We will not receive any proceeds from the offering of these securities by the selling security holders. The Debentures are our senior unsecured obligations and will rank equally in right of payment with all of our other existing and future senior unsecured debt. The Debentures will be effectively subordinated to all of our existing and future secured debt and to the indebtedness and other liabilities of our subsidiaries.

The Debentures bear interest at a rate of 1.625% per annum. We will pay interest on the Debentures on June 15 and December 15 of each year, beginning June 15, 2005. Beginning with the period commencing on December 20, 2009 and ending on June 14, 2010, and for each of the six-month periods thereafter commencing on June 15, 2010, we will pay contingent interest during the applicable interest period if the average trading price of a Debenture during a five trading-day period preceding such applicable interest period equals or exceeds 120% of the principal amount of the Debentures. The contingent interest payable per Debenture in respect of any applicable interest period will equal 0.30% per annum of the average trading price of a Debenture for such five trading-day period. The Debentures will mature on December 15, 2024.

The Debentures will be convertible at your option into shares of our common stock, par value $0.02 per share, if: (1) the price of our common stock reaches a specified threshold, (2) subject to certain limitations, the trading price for the Debentures falls below certain thresholds, (3) we have called your Debentures for redemption or (4) specified corporate transactions occur. Upon conversion, we will have the right to deliver, in lieu of our common stock, cash or a combination of cash and shares of our common stock. Subject to the above conditions, each $1,000 principal amount of Debentures will be convertible into 29.7392 shares (equivalent to an initial conversion price of approximately $33.63 per share of common stock), subject to adjustment as described in this prospectus. If a change of control (as defined in this prospectus) occurs on or prior to December 15, 2009, we will increase the conversion rate by a number of additional shares of common stock or, in lieu thereof, we may in certain circumstances elect to adjust the conversion rate and related conversion obligation so that the Debentures are convertible into shares of the acquiring or surviving company, in each case as described in this prospectus. Shares of our common stock are traded on the Nasdaq National Market under the symbol “EEFT.” The last reported bid price of our common stock on March 22, 2005 was $26.05 per share.

We may redeem some or all of the Debentures for cash at any time on or after December 20, 2009 at 100% of their principal amount, plus accrued and unpaid interest, including contingent interest, if any, and liquidated damages, if any. You may require us to repurchase all or a portion of your Debentures on December 15, 2009, 2014 and 2019, at a price equal to the principal amount of the Debentures to be repurchased, plus accrued and unpaid interest, including contingent interest, if any, and liquidated damages, if any, to the repurchase date.

You may require us to repurchase all or a portion of your Debentures upon the occurrence of a change of control (as defined in this prospectus).

We do not intend to apply for listing of the Debentures on any securities exchange or for inclusion of the Debentures in any automated quotation system. The Debentures are expected to be eligible for trading in the Private Offerings, Resales and Trading through Automated Linkages (PORTAL) system of the National Association of Securities Dealers, Inc.

**Investing in the Debentures involves risks. See "Risk Factors" beginning on page 11.**

**Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.**

**The date of this prospectus is November __, 2005.**

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This prospectus is part of a resale registration statement that we have filed with the Securities and Exchange Commission using a “shelf” registration process. Under this prospectus, as it may be amended or supplemented from time to time, the selling security holders may sell some or all of the securities described in this prospectus in one or more transactions from time to time.

You should rely only on the information contained or incorporated by reference in this prospectus and any prospectus supplement. We have not authorized anyone else to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. You should assume that the information appearing in this prospectus and any prospectus supplement, as well as the information we file with the Securities and Exchange Commission and incorporate by reference in this prospectus or any prospectus supplement, is accurate only as of the date of the documents containing the information. The securities covered by this prospectus are not offered in any jurisdiction where offers to sell, or solicitations of offers to purchase, such securities are unlawful.

Unless the context otherwise requires, the terms “Euronet Worldwide, Inc.,”“Company,”“Euronet,”“we,”“us,” and “our” refer to Euronet Worldwide, Inc. and not our subsidiaries, except that, for purposes of the information under “Our Business” and “Summary of Historical Consolidated Financial Data” below and “Risk Factors—Risks Related to Our Business,” the terms “Euronet Worldwide, Inc.,”“Company,”“we,”“us,” and “our” refer to Euronet Worldwide, Inc. and its subsidiaries unless the context otherwise requires. Investors should be aware that Euronet Worldwide, Inc.’s subsidiaries will not guarantee the Debentures. Unless otherwise indicated, all information contained herein assumes no exercise of the initial purchaser’s option to purchase additional Debentures.

## FORWARD-LOOKING STATEMENTS

This prospectus and the documents incorporated herein by reference may contain “forward-looking statements,” including, but not limited to, statements of plans and objectives, statements of future economic performance and statements of assumptions underlying such statements, and statements of the Company’s or management’s intentions, hopes, beliefs, expectations or predictions of the future. You can often identify forward-looking statements by the use of forward-looking terminology, such as “could,”“should,”“will,”“will be,”“intended,”“continue,”“believe,”“may,”“hope,”“anticipate,”“goal,”“forecast,”“plan,”“estimate” or variations thereof. In pa forward-looking statements include, but are not limited to, statements relating to the following:

- trends affecting our business plans and financing plans and requirements;
- trends affecting our business;
- the adequacy of capital to meet our capital requirements and expansion plans;

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- the assumptions underlying our business plans;
- business strategy;
- government regulatory action;
- technological advances; and
- projected costs and revenues.

Forward-looking statements are not guarantees of future performance or results. Forward-looking statements are based on estimates, forecasts and assumptions involving risks and uncertainties that could cause actual results or outcomes to differ materially from those expressed or implied in such forward-looking statements. The uncertainties, risks and assumptions referred to above include, but are not limited to, the following:

- technological and business developments in the local card, electronic and mobile banking and mobile phone markets affecting transaction and other fees that we are able to charge for our services;
- foreign exchange fluctuations;
- competition from bank-owned ATM networks, outsource providers of ATM services, software providers and providers of outsourced mobile phone prepaid services;
- our relationships with our major customers, sponsor banks in various markets and international card organizations, including the risk of contract terminations with major customers;
- changes in law and regulations affecting our business;
- our ability to effectively compete for market share and generate growth;
- retention of key executives and personnel;
- the collectibility of receivables and adequacy of our allowance for credit losses;
- general economic, financial and market conditions and the duration and extent of any future economic downturns;
- the cost of borrowing, availability of credit and terms of and compliance with debt covenants;
- renewal of sources of funding as they expire and the availability of replacement funding;
- the outlook for markets we serve; and
- the other risks and uncertainties as are described under “Risk Factors” in this prospectus or “Factors Affecting Future Performance” in our public filings with the Securities and Exchange Commission.

All of our forward-looking statements, whether written or oral, are expressly qualified by these cautionary statements and any other cautionary statements that may accompany such forward-looking statements. In addition, we disclaim any obligation to update any forward-looking statements to reflect events or circumstances after the date of this prospectus.

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# SUMMARY

*The following summary is not intended to be a complete description of the matters covered in this prospectus and is subject to and qualified in its entirety by the more detailed information and historical consolidated financial statements, including the notes to those financial statements, appearing elsewhere or incorporated by reference in this prospectus. Investors should carefully consider the information set forth under "Risk Factors."*

## Business Summary

Euronet Worldwide, Inc. is a leading provider of secure electronic financial transaction solutions. In our EFT Division, we process transactions for a network of approximately 6,841automated teller machines ("ATMs") across Europe and provide financial transaction processing services, network gateways, and ATM operation outsourcing services to financial institutions, retailers and mobile phone operators. Through our Prepaid Processing Division, we provide prepaid processing, or top-up services, for prepaid mobile airtime and other prepaid products as well as electronic consumer money transfer and bill payment services. We operate a network of more than 218,000 point of sale ("POS") terminals providing electronic processing of prepaid mobile phone airtime top-up services in the U.K., Australia, Poland, Ireland, New Zealand, Germany, the U.S., Spain, Malaysia and Indonesia. Our Software Solutions Division offers a suite of integrated electronic financial transaction (EFT) software solutions for electronic payment and transaction delivery systems.

Our solutions are used in more than 70 countries around the world. As of September 30, 2005, we had 14 principal offices in Europe, three in the United States four in Asia-Pacific and two in the Middle East. Our headquarters office is in Leawood, Kansas.

### EFT Processing Segment

Our EFT Processing Segment provides services to banks and mobile phone companies primarily in the developing markets of Central and Southern Europe (Hungary, Poland, Czech Republic, Croatia, Romania, Slovakia, Serbia and Greece), Egypt, Indonesia and India, as well as in the developed countries of Western Europe (Germany and the U.K.). In most of these markets, we own small networks of ATMs and accept cards of our client banks or international logo'd cards on those ATMs. We also increasingly provide ATM operation services under outsourcing agreements with banks in a number of markets, and in the U.K., to an independent operator of ATMs.

*Transactions on Owned Networks of ATMs*

Our agreements with banks and international card organizations generally provide that all credit and debit cards issued by the customer bank or organization may be used at all ATM machines we operate in a given market. In many markets, we have agreements with a bank under which we are designated as a service provider (which we refer to as "sponsorship agreements") for the acceptance of cards bearing international logos, such as Visa and MasterCard. These card acceptance or sponsorship agreements allow us to receive transaction authorization directly from the card issuing bank or international card organization. Our agreements generally provide for a term of three to seven years and are automatically renewed unless either party gives notice of non-renewal prior to the termination date. In some cases, the agreements are terminable by either party upon six months notice. We are generally able to connect a bank to our network within 30 to 90 days of signing a card acceptance agreement. Generally, the bank provides the cash needed to complete transactions on the ATM, although we have contracted for cash supply with a cash supply bank in the Czech Republic.

The ATM transaction fees we charge under our card acceptance agreements vary depending on the type of transaction (which are currently cash withdrawals, balance inquiries, GSM airtime recharge purchases, deposits and transactions not completed because authorization is not given by the relevant card issuer) and the number of transactions attributable to a particular card issuer. The fees we charge to the card issuers are independent of any fees charged by the card issuers to cardholders in connection with the ATM transactions.

We have processing centers for EFT processing in Budapest, Hungary, Mumbai, India and Jakarta, Indonesia. Our operations centers use our own proprietary software, the Integrated Transaction Management System. The ATMs in our networks are able to process transactions for holders of credit and debit cards issued by or bearing

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the logos of banks and international card organizations such as American Express, Diners Club International, Visa, MasterCard and Europay.

*ATM Outsourcing*

We offer complete outsourced management services to banks and other organizations using our processing centers' full suite of secure electronic financial transaction processing software. Our outsourced management services include management of an existing bank network of ATMs, development of new ATM networks on a complete turn-key basis (as we have done for Citibank in Greece), management of POS networks, management of charge and debit card databases and other financial processing services. These services include 24-hour monitoring from our processing centers of each individual ATM's status and cash condition, coordinating the cash delivery and management of cash levels in the ATM and automatic dispatch for necessary service calls. They also include real-time transaction authorization, advanced monitoring, network gateway access, network switching, 24-hour customer services, maintenance services, settlement and reporting.

Our outsourced management agreements, other than in Germany, provide for fixed monthly management fees in addition to fees payable for each transaction. Therefore, the transaction fees under these agreements are generally lower than under card acceptance agreements. The fees payable under our outsourced management agreement in Germany are purely transaction based and include no fixed component.

*Other Products and Services*

Our network constitutes a distribution network through which financial and other products or services may be sold at a low incremental cost. We have developed value-added services in addition to basic cash withdrawal and balance inquiry transactions. These new services include bill payment, "mini-statement" and recharge (purchasing prepaid airtime from ATMs and mobile phone devices) transactions. We are committed to the ongoing development of innovative new products and services to offer our processing services customers and will implement additional services as markets develop.

**Prepaid Processing Segment**

Our Prepaid Processing Division provides networks for electronic distribution of prepaid mobile phone time to mobile operators and electronic consumer money transfer and bill payment services, through the maintenance of processing centers that are connected to POS terminals or cash register systems at retail outlets. Our principal Prepaid Processing operations are in the U.K., Germany, Australia, the U.S., New Zealand, Poland and Spain. We have expanded this division principally through acquisitions and are continuing to seek acquisition opportunities in many markets.

Customers using mobile phones pay for their usage in two ways: through "postpaid" accounts where usage is billed at the end of each billing period, and through "prepaid" accounts where customers must pay in advance by crediting their accounts prior to usage. Although operators in the United States and certain European countries have provided service principally through postpaid accounts, the trend in Europe has shifted toward prepaid accounts because mobile operators of those accounts do not take the credit risk with respect to payment for airtime usage. In many developing markets, the majority of mobile phones are prepaid. Currently two principal methods are available to credit prepaid accounts (referred to as "top-up" of accounts). The first is through the purchase of "scratch cards" bearing code numbers, that, when entered into a customer's mobile phone account, credit the account by a certain value of airtime. Scratch cards are sold predominantly through retail outlets. The second is through various electronic means of crediting accounts using POS terminals. Electronic top-up or "e-top-up" methods have several advantages over scratch cards, primarily because electronic methods do not require the creation, distribution and management of a physical inventory of cards. Currently scratch cards are the predominant method of crediting mobile phone accounts in many developed markets, but a shift is occurring in such markets away from usage of scratch cards to the usage of electronic top-up methods.

In a typical POS top-up transaction in the UK, a consumer in a retail shop will use an electronic card issued by the mobile phone operator to identify the consumer’s mobile phone number. The consumer uses this card with a specially programmed POS terminal in the shop that is connected to our network. The consumer will make a payment of

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a defined amount to the retailer (in cash or by adding to the amount to a bank card transaction for other services). Using the electronic connection we maintain with the mobile operator, the retailer will use the POS terminal to credit the purchased amount of airtime directly to the account of the consumer. We receive a commission on each transaction that is withheld from the payments made, and we share that commission with the retailers.

In a typical POS top-up transaction in markets other than the U.K., we top-up the consumer’s account by issuing a voucher from the POS terminal. The voucher includes PIN numbers used to access the mobile phone time. Depending upon market practices, we purchase such vouchers either from the mobile operators directly or from wholesalers of PINs. The retailers settle the transaction by paying us the amount received from the consumer, and we pay that amount to the mobile phone operators. We receive a commission on each transaction that is withheld from the payments made, and we share that commission with the retailers.

Our agreements with major retailers for the POS business typically have two-year terms. These agreements include terms regarding the connection of our networks to the respective retailer’s registers or payment terminals or the maintenance of POS terminals, and obligations concerning settlement and liability for transactions processed. Our agreements with individual or small retailers regarding the installation and operation of the POS terminals are short-term agreements, typically with terms of two years, but with the ability of either party to terminate the agreement upon three months’ notice and include provisions similar to those with major retailers.

During the second quarter 2005, we launched our money transfer and bill payment services through the acquisition of TelecommUSA. TelecommUSA's patented card-based money transfer and bill payment system allows transactions to be initiated primarily through POS terminals and Integrated Cash Register Systems (ICR). Transactions can also be initiated through the internet, fax or telephone. Revenue in the money transfer and bill payment business is earned through the charging of a transaction fee, as well as the difference between purchasing currency at wholesale exchange rates and selling the currency to consumers at retail exchange rates. We have origination and distribution agents in place, which each earn a fee for the respective service. These fees are recognized as a direct operating costs at the time of sale.

**Software Solutions Segment**

Through our subsidiary Euronet USA, we offer an integrated suite of card and retail transaction delivery applications for the IBM i-Series (formerly AS/400) platform and some applications on NT server environments. The core system of this product, called “Integrated Transaction Management” (ITM), provides for transaction identification, transaction routing, security, transaction detail logging, network connections, authorization interfaces and settlement. Front-end systems in this product support ATM and POS management, telephone banking, Internet banking, mobile banking and event messaging. These systems provide a comprehensive solution for ATM, debit or credit card management and bill payment facilities. We also offer increased functionality to authorize, switch and settle transactions for multiple banks through our GoldNet module. We use GoldNet for our own EFT requirements, processing transactions across ten countries in Europe.

Although our Software Solutions Segment is headquartered in the United States, approximately 75% of our software customers are international and in particular in developing markets. This distribution is largely because our core software product is a relatively small and inexpensive package that is appropriate for banks with smaller transaction processing needs. Euronet Software is the preferred transaction-processing software for banks that operate their back office software using the IBM iSeries platform, which is also a relatively inexpensive, expandable hardware platform.

Software Solutions Segment revenue is derived from three main sources: software license fees, professional service fees and software maintenance fees. Software license fees are the initial fees we charge for the licensing of our proprietary application software to customers. We charge professional service fees for customization, installation and consulting services provided to customers. Software maintenance fees are the ongoing fees we charge to customers for the maintenance of the software products.

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## The Offering

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| Selling Security Holders | The securities to be offered and sold using this prospectus will be offered and sold by the selling security holders. See "Selling Security Holders". |
| Securities Offered | $140,000,000 aggregate principal amount of 1.625% Convertible Senior Debentures Due 2024. |
| Maturity Date | The Debentures will mature on December 15, 2024, unless earlier converted, redeemed or repurchased. |
| Ranking | The Debentures are our general unsecured and unsubordinated obligations and rank equally in right of payment with all of our existing and future unsecured and unsubordinated obligations and senior in right of payment to all of our future subordinated indebtedness. The Debentures are effectively subordinated to any of our existing and future secured indebtedness, including indebtedness under our credit facilities with respect to any collateral securing such indebtedness. At December 31, 2004, the senior unsecured indebtedness of Euronet Worldwide, Inc. on an unconsolidated basis totaled approximately $142.9 indebtedness (including indebtedness under our credit facilities) totaled approximately $21.3 million. The Debentures are not be guaranteed by any of our subsidiaries and, accordingly, the Debentures are effectively subordinated to the indebtedness and other liabilities of our subsidiaries, including trade creditors. As of December 31, 2004, our subsidiaries had liabilities of approximately $340.7 million, excluding intercompany indebtedness. Neither we nor our subsidiaries are restricted under the indenture from incurring additional secured indebtedness or other additional indebtedness. |
| Interest | The Debentures will bear interest at a rate of 1.625% per year. We will pay interest on the Debentures on June 15 and December 15 of each year, beginning June 15, 2005. Liquidated damages are payable if we fail to comply with certain obligations under the registration rights agreement as set forth below under "Description of the Debentures—Registration Rights." |
| Contingent Interest | We will pay contingent interest to the holders of Debentures, commencing with the period beginning December 20, 2009 to June 14, 2010 and for any six-month period from June 15 to December 14 and December 15 to June 14 thereafter, if the average trading price of a Debenture for the five trading days ending on the second trading day immediately preceding the relevant contingent interest period equals or exceeds 120% of the principal amount of the Debentures. The amount of contingent interest payable per Debenture in respect of any contingent interest period will equal 0.30% per annum calculated on the average trading price of a Debenture for the five trading-day period referred to above. Such payments will be paid on the interest payment date immediately following the last day of the relevant contingent interest period. |

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Conversion Rights

Holders may convert their Debentures at any time prior to stated maturity, at their option, only under the following circumstances:

- during any fiscal quarter commencing after December 31, 2004 (and only during such fiscal quarter), if the closing price of our common stock for at least 20 trading days in the 30 trading-day period ending on the last trading day of the preceding fiscal quarter was 130% or more of the conversion price of the Debentures on that 30th trading day;

- during the five business day period after any five consecutive trading day period (the "measurement period") in which the trading price per Debenture (as defined under "Description of the Debentures—Conversion Rights") for each day of such measurement period was less than 98% of the product of the closing price of our common stock and the conversion rate for the Debentures; provided, however, holders may not convert their Debentures in reliance on this provision after December 15, 2019 if on any trading day during such measurement period the closing price of shares of our common stock was between 100% and 130% of the conversion price of the Debentures;

- we have called your Debentures for redemption; or

- upon the occurrence of specified corporate transactions described under "Description of the Debentures-Conversion Rights."

For each $1,000 principal amount of Debentures surrendered for conversion, a holder will receive 29.7392 shares, equal to an initial conversion price of approximately $33.63, subject to adjustment as set forth in "Description of the Debentures—Conversion Rights—Conversion Rate Adjustments."

Upon conversion, holders will not receive any cash payment representing accrued interest, including contingent interest, if any. Instead, any such amounts will be deemed paid by the common stock or cash received by holders on conversion. You will, however, receive any accrued and unpaid liquidated damages to the conversion date.

Upon conversion, we will have the right to deliver, in lieu of our common stock, cash or a combination of cash and shares of our common stock.

If you elect to convert your Debentures in connection with a change of control that occurs on or prior to December 15, 2009, we will increase the conversion rate by a number of additional shares of common stock upon conversion or, in lieu thereof, we may in certain circumstances elect to adjust the conversion rate and related conversion obligation so that the Debentures are convertible into shares of the acquiring or surviving company, in each case as described under " Description of Debentures—Conversion Rights— Adjustment to Conversion Rate upon a Change of Control."

Debentures called for redemption may be surrendered for conversion until the close of business on the business day prior to the redemption date.

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| | Due to new accounting rules, shares issuable upon conversion of convertible debt instruments with contingent conversion provisions such as the Debentures must be included in computations of diluted earnings per share regardless of whether the contingent conversion triggers have been achieved. As a result, assuming the initial purchaser does not exercise its option to purchase additional Debentures and assuming we do not irrevocably elect to pay principal on the Debentures in cash (as further described in "Description of the Debentures—Conversion Rights—Payment Upon Conversion-Conversion after Irrevocable Election to Pay Principal in Cash"), an additional 4,163,488 shares of our common stock, representing approximately 11.2% of our common stock outstanding on the date of this prospectus, will be included in our future calculations of diluted earnings per share beginning with the first quarter of 2005. |
| Payment at Maturity | Each holder of $1,000 principal amount of the Debentures shall be entitled to receive $1,000 at maturity, plus accrued and unpaid interest, including contingent interest, if any, and liquidated damages, if any. |
| Sinking Fund | None. |
| Optional Redemption by Us | We may redeem some or all of the Debentures for cash at any time on or after December 20, 2009 at 100% of their principal amount, plus accrued and unpaid interest, including contingent interest, if any, and liquidated damages, if any. See "Description of the Debentures—Optional Redemption by Us." |
| Repurchase of Debentures by Us at the Option of the Holder | Holders of Debentures may require us to repurchase all or a portion of their Debentures on December 15, 2009, December 15, 2014 and December 15, 2019 at 100% of their principal amount plus accrued and unpaid interest, including contingent interest, if any, and liquidated damages, if any, to but excluding the repurchase date. |
| Repurchase of Debentures by Us at the Option of the Holder upon a Change of Control | Upon a change of control (as defined under "Description of the Debentures-Repurchase of the Debentures at the Option of the Holders Upon a Change of Control") involving us, you may require us to repurchase all or a portion of your Debentures. We will pay a change of control repurchase price equal to the principal amount of such Debentures plus accrued and unpaid interest, including contingent interest, if any, and liquidated damages, if any, to but excluding the change of control repurchase date. |
| United States Federal Income Tax Considerations | We and each holder of the Debentures agree to treat the Debentures as contingent payment debt instruments for U.S. federal income tax purposes, and as subject to U.S. federal income tax rules applicable to contingent payment debt instruments. Based on that treatment, you generally will be required to accrue interest income on the Debentures in the manner described in this prospectus, regardless or whether you use the cash or accrual method of tax accounting. You will be required, in general, to include interest in income based on the rate at which we would issue a noncontingent, nonconvertible, fixed-rate debt instrument with terms and conditions otherwise similar to those of the Debentures, which rate will be substantially in excess of the stated interest on the Debentures. Accordingly, you will be required to include amounts in taxable income substantially |

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| | in excess of the stated interest on the Debentures. Furthermore, upon a sale, repurchase by us at your option, exchange, conversion or redemption of the Debentures, you will be required to recognize gain or loss equal to the difference between your amount realized and your adjusted tax basis in the Debentures. The amount realized by you will include the fair market value of any common stock you receive. Any gain on a sale, repurchase by us at your option, exchange, conversion or redemption of the Debentures will be treated as ordinary interest income rather than as capital gain (or capital loss). You should consult your tax advisers as to the U.S. federal, state, local or other tax consequences, as well as any foreign tax consequences, of acquiring, owning and disposing of the Debentures. See "Certain United States Federal Income Tax Considerations" in this prospectus. |
| Use of Proceeds | The securities to be offered and sold using this prospectus will be offered and sold by the selling security holders. We will not receive any proceeds from the sale by the selling security holders of Debentures or shares of our common stock issued upon conversion thereof that are offered pursuant to this prospectus. |
| Form, Denomination and Registration | The Debentures will be issued in fully registered form. The Debentures will be issued in denominations of $1,000 principal amount and integral multiples thereof. The Debentures may be sold only to "qualified institutional buyers," as defined in Rule 144A, and will be represented by one or more global Debentures, deposited with the trustee as custodian for The Depository Trust Company and registered in the name of Cede & Co., DTC's nominee. Beneficial interests in the global Debentures will be shown on, and any transfers will be effected only through, records maintained by DTC and its participants. See "Description of the Debentures-Form, Denomination and Registration." |
| Absence of a Public Market for the Debentures | The Debentures are new securities for which there is currently no public market. We cannot assure you that any active or liquid market will develop for the Debentures. See "Plan of Distribution." |
| Trading | We do not intend to list the Debentures on any national securities exchange. The Debentures, however, are expected to be eligible for designation on the PORTAL market. |

## Risk Factors

You should read the "Risk Factors" section, beginning on page 11 of this prospectus, to understand the risks associated with an investment in the Debentures.

## Our Address

Our principal executive offices are located at 4601 College Boulevard, Suite 300, Leawood, KS 66211. Our telephone number is (913) 327-4200. Our corporate website is euronetworldwide.com. The information on our website does not constitute part of this prospectus.

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## Summary of Historical Consolidated Financial Data

The summary of historical consolidated financial data set forth below for each of the years in the five-year period ended December 31, 2004 are derived from our audited consolidated financial statements for the periods indicated which have been included in our Annual Report on Form 10-K for each respective period. The summary of historical consolidated financial data set forth below as of and for the nine-month periods ended September 30, 2005 and 2004 are derived from our unaudited consolidated financial statements included in our September 30, 2005 Quarterly Report on Form 10-Q, and contain all adjustments (consisting of normal interim closing procedures) necessary to present fairly our financial position and results of our operations and cash flows for those periods. Results for past periods are not necessarily indicative of results that may be expected for any future period, and results for the nine-month period ended September 30, 2005 are not necessarily indicative of results that my be expected for the entire year ended December 31, 2005. The summary of historical consolidated financial data should be read in conjunction with the consolidated financial statements and accompanying note disclosures in our Annual Report on Form 10-K for each respective period and our Quarterly Reports on Form 10-Q for the periods ended March 31, 2005, June 30, 2005 and September 30, 2005. Our historical results of operations include the results of various acquired entities from their date of acquisition.

| | Nine Months Ended September 30 | | Year Ended December 31, | | | | |
|---|---|---|---|---|---|---|---|
| | **2005** | **2004** | **2004** | **2003** | **2002** | **2001** | **2000** |
| | (in thousands, except for per share amounts and summary network data) | | | | | | |
| **Consolidated Statement of Operations** | | | | | | | |
| Revenues | | | | | | | |
| EFT processing segment | $ 76,245 | $ 53,872 | $ 77,600 | $ 52,752 | $ 53,918 | $ 45,941 | $ 34,201 |
| Prepaid processing segment | 299,530 | 203,912 | 289,810 | 136,185 | — | — | — |
| Total revenues | 386,841 | 268,001 | 381,080 | 204,407 | 71,048 | 60,983 | 50,028 |
| Operating income (loss) | 38,088 | 23,853 | 35,304 | 13,317 | (419) | (6,050) | (35,455) |
| Gain on sale of U.K. subsidiary | — | — | — | 18,045 | — | — | — |
| Comprehensive income (loss) | 12,704 | 14,217 | 22,623 | 14,660 | (5,745) | 264 | (49,551) |
| Net income per share | 0.54 | 0.44 | 0.59 | 0.45 | (0.28) | 0.03 | (3.00) |
| **Consolidated Balance Sheet Data:** | | | | | | | |
| **Assets** | | | | | | | |
| Cash and cash equivalents | $ 52,798 | $ 36,892 | 124,198 | $ 19,245 | $ 12,021 | $ 8,820 | $ 6,760 |
| Restricted cash | $ 70,335 | $ 57,650 | $ 69,300 | $ 58,280 | 4,401 | 1,877 | 2,103 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Trade accounts receivable, net | 130,047 | 83,373 | 110,306 | 75,648 | 8,380 | 8,862 | 9,199 |
| Total current assets | 308,462 | 207,095 | 344,766 | 167,044 | 39,866 | 34,694 | 29,099 |
| Goodwill | 251,505 | 116,222 | 183,668 | 88,512 | 1,834 | 1,551 | 2,060 |
| Total Assets | $ 664,341 | $ 389,861 | $ 618,475 | $ 303,773 | $ 66,559 | $ 61,391 | $ 60,890 |
| **Liabilities and stockholders' equity** | | | | | | | |
| Total current liabilities | $ 280,985 | $ 205,553 | $ 293,183 | $ 151,926 | $ 19,769 | $ 24,753 | $ 20,756 |
| Notes payable | 140,000 | 52,711 | 140,000 | 55,792 | 36,318 | 38,146 | 77,191 |
| Total liabilities | 468,045 | 261,246 | 476,561 | 221,904 | 60,388 | 69,078 | 105,691 |
| Total stockholders' equity (deficit) | 196,296 | 128,615 | 141,914 | 81,869 | 6,171 | (7,687) | (44,801) |
| Total liabilities and stockholders' equity (deficit) | $ 664,341 | 389,861 | $ 618,475 | $ 303,773 | $ 66,559 | $ 61,391 | $ 60,890 |
| **Summary network data:** | | | | | | | |
| Number of operational ATMS at end of period | 6,841 | 5,404 | 5,742 | 3,350 | 3,005 | 2,400 | 2,081 |
| ATM processing transactions during the period (millions) | 258.5 | 159.1 | 232.5 | 114.7 | 79.2 | 57.2 | 43.5 |
| Number of operational prepaid processing terminals at end of period | 218,000 | 167,524 | 175,318 | 126,284 | — | — | — |
| Prepaid processing transactions during the period (millions) | 248.0 | 162.9 | 228.6 | 102.1 | — | — | — |

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## RISK FACTORS

*You should carefully consider the risks described below before making an investment decision. The risks and uncertainties described below are not the only ones facing our company. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business operations.*

*If any of the following risks actually occurs, our business, financial condition or results of operations could be materially adversely affected. In that case, the trading price of the Debentures and our common stock could decline substantially.*

*This prospectus also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in the forward-looking statements as a result of a number of factors, including the risks described below and elsewhere in this prospectus.*

### Risks Related to Our Business

Investing in shares of our common stock involves a risk of loss. Before investing in our common stock, you should carefully consider the risk factors described in "Risk Factors" under "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our periodic filings with the SEC, including, but not limited to, our Quarterly Report on Form 10-Q for the quarter ended September 30, 2005 and subsequent periodic filings containing updated disclosures of such factors, together with all of the other information included in this prospectus and any prospectus supplement and the other information that we have incorporated by reference. Any of these risks, as well as other fisks and uncertainties, could harm our business and financial results and cause the value of our securities to decline, which in turn could cause you to lose all or a part of your investment. These risks are not the only ones facing our company. Additional risks not currently known to us or that we currently deem immaterial also may impair our business. Statements in or portions of a future document incorporated by reference in this prospectus, including, without limitation, those relationg to risk factors, may update and supersede statements in and portions of this prospectus or such incorporated documents.

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## Risks Related to the Debentures

**Because we operate primarily through subsidiaries, we may be unable to repay or repurchase the Debentures if our subsidiaries are unable to pay dividends or make advances to us.**

We are a United States holding company and conduct most of our operations through our subsidiaries, most of which are located in other countries. Our ability to meet our debt service obligations will therefore be dependent upon receipt of dividends, interest income and loans from our direct and indirect subsidiaries. In addition, under applicable law, our subsidiaries may be limited in the amounts that they are permitted to pay as dividends to us on their capital stock. In particular, there are significant tax and other legal restrictions on the ability of a non-U.S. subsidiary to remit money to us. As a result, our subsidiaries may not be able to pay dividends to us. If they are not, we will not be able to make debt service payments on the Debentures and our other outstanding debt obligations.

At maturity, the entire outstanding principal amount of the Debentures will become due and payable by us. In addition, each holder of the Debentures may require us to repurchase all or a portion of that holder's Debentures on December 15, of 2009, 2014 and 2019 or, if a "change of control," as defined in the indenture, of Euronet occurs. A "change of control" also may constitute an event of default under, and result in the acceleration of the maturity of, indebtedness under our credit facilities or other indebtedness that we have or may incur in the future. At maturity or upon a repurchase request, if we do not have sufficient funds on hand or available through existing borrowing facilities or through the declaration and payment of dividends or through loans by our subsidiaries, we will need to seek additional financing. Additional financing may not be available to us in the amounts necessary.

Our existing credit facilities contain, and future borrowing arrangements or agreements may contain, restrictions on our repayment or repurchase of the Debentures under certain conditions. In the event that the maturity date or repurchase request occurs at a time when we are restricted from repaying or repurchasing the Debentures, we

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could attempt to obtain the consent of the lenders under those arrangements to repurchase the Debentures or we could attempt to refinance the borrowings that contain the restrictions. If we do not obtain the necessary consents or refinance these borrowings, we will be unable to repay or repurchase the Debentures. Failure by us to repay or repurchase the Debentures when required will result in an event of default with respect to the Debentures, which would, in turn, result in an event of default under our existing credit facilities or may result in an event of default under such other arrangements.

**The Debentures will be effectively subordinated to existing and future indebtedness and other liabilities of our subsidiaries.**

Because we operate primarily through our subsidiaries, we derive most of our revenues from and hold most of our assets through, those subsidiaries. As a result, we rely upon distributions and advances from our subsidiaries in order to meet our payment obligations under the Debentures and our other obligations. In general, these subsidiaries are separate and distinct legal entities and will have no obligation to pay any amounts due on our debt securities, including the Debentures, or to provide us with funds for our payment obligations, whether by dividends, distributions, loans or otherwise. Our right to receive any assets of any subsidiary in the event of a bankruptcy or liquidation of the subsidiary, and therefore the right of our creditors to participate in those assets, will be effectively subordinated to the claims of that subsidiary's creditors, including trade creditors. In addition, even if we were a creditor of any subsidiary, our rights as a creditor would be subordinated to any indebtedness of that subsidiary senior to that held by us, including secured indebtedness to the extent of the assets securing such indebtedness. As of September 30, 2005, our subsidiaries had outstanding liabilities of approximately $329.2 million, excluding intercompany indebtedness.

**Our stock price, and therefore the price of the Debentures, may be subject to significant fluctuations and volatility.**

The market price of the Debentures is expected to be significantly affected by the market price of our common stock. This may result in greater volatility in the trading value of the Debentures than would be expected for non-convertible debt securities that we issue. Among the factors that could affect our common stock price are those discussed above under "-Risks Related to Our Business" as well as:

- technological innovations;
- the introduction of new products or proprietary rights;
- changes in our product pricing policies or those of our competitors;
- quarterly variations in our operating results;
- changes in revenue or earnings estimates or publication of research reports by analysts;
- speculation in the press or investment community;
- strategic actions by us or our competitors;
- general market conditions; and

- domestic and international economic factors unrelated to our performance.

In addition, the stock markets have experienced extreme volatility that has often been unrelated to the operating performance of particular companies. These broad market fluctuations may adversely affect the trading price of our common stock and of the Debentures.

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**The trading prices for the Debentures will be directly affected by the trading prices for our common stock, which are impossible to predict.**

The price of our common stock could be affected by possible sales of our common stock by investors who view the Debentures as a more attractive means of equity participation in our company and by hedging or arbitrage trading activity that may develop involving our common stock. The hedging or arbitrage could, in turn, affect the trading prices of the Debentures.

**A downgrade, suspension or withdrawal of the rating assigned by a rating agency to the Debentures, if any, would cause the liquidity or market value of the Debentures to decline significantly.**

The Debentures have not yet been rated by a rating agency. There can be no assurance that any rating will be assigned and if assigned will remain for any given period of time or that a rating will not be lowered or withdrawn entirely by a rating agency. As a result, the market price of the Debentures could be adversely affected.

**There may be no public market for the Debentures and initially there will be restrictions on resale of the Debentures.**

Prior to this offering, there has been no trading market for the Debentures. We do not intend to apply for listing of the Debentures on any securities exchange or any automated quotation system. Although the initial purchaser has advised us that it currently intends to make a market in the Debentures, it is not obligated to do so and may discontinue its market-making activities at any time without notice. Consequently, we cannot be sure that any market for the Debentures will develop, or if one does develop, that it will be maintained. If an active market for the Debentures fails to develop or be sustained, the trading price and liquidity of the Debentures could be adversely affected.

The Debentures and the common stock to be issued upon conversion of the Debentures have not been registered under the Securities Act and are not transferable except upon satisfaction of the conditions described under "Transfer Restrictions." Although we have agreed to use our commercially reasonable efforts to have declared effective a shelf registration statement covering the Debentures and the common stock issuable upon conversion of the Debentures within 180 days after the date the Debentures are originally issued, we may not be able to have the registration statement declared effective within that time period, if at all. If you convert some or all of your Debentures into common stock when there exists a default with respect to our obligation to register the common stock, you will not be entitled to receive liquidated damages on such common stock, but you will receive additional shares upon conversion (except to the extent we elect to deliver cash upon conversion).

**If you are able to resell your Debentures, many other factors may affect the price you receive, which may be lower than you believe to be appropriate.**

If you are able to resell your Debentures, the price you receive will depend on many other factors that may vary over time, including:

- the number of potential buyers;
- the level of liquidity of the Debentures;

- ratings published by major credit rating agencies;
- our financial performance;
- the amount of indebtedness we have outstanding;
- the level, direction and volatility of market interest rates generally;
- the market for similar securities;
- the redemption and repayment features of the Debentures to be sold; and
- the time remaining to the maturity of your Debentures.

As a result of these factors, you may only be able to sell your Debentures at prices below those you believe to be appropriate, including prices below the price you paid for them.

**The conditional conversion feature of the Debentures could result in you not receiving the value of the common stock into which the Debentures are convertible.**

The Debentures are convertible into common stock only if specific conditions are met. If the specific conditions for conversion are not met, you may not be able to receive the value of the common stock into which your Debentures would otherwise be convertible.

**The conversion rate of the Debentures may not be adjusted for all dilutive events.**

The conversion rate of the Debentures is subject to adjustment for certain events, including but not limited to the issuance of stock dividends on our common stock, the issuance of rights or warrants, subdivisions or combinations of our common stock, distributions of capital stock, indebtedness or assets, certain cash dividends and certain tender or exchange offers as described under "Description of the Debentures-Conversion Rights-Conversion Rate Adjustments." The conversion rate will not be adjusted for other events, such as an issuance of common stock for cash, that may adversely affect the trading price of the Debentures or the common stock. There can be no assurance that an event that adversely affects the value of the Debentures, but does not result in an adjustment to the conversion rate, will not occur.

**You should consider the United States federal income tax consequences of owning Debentures.**

We and each holder of the Debentures agree to treat the Debentures as contingent payment debt instruments for U.S. federal income tax purposes, subject to the contingent payment debt instrument rules applicable to such instruments for U.S. federal income tax purposes. The discussion below, and the discussion under the heading "Certain United States Federal Income Tax Considerations," assume that the Debentures will be so treated. However, the U.S. federal income tax characterization of the Debentures is uncertain and, thus, no assurance can be given that the Internal Revenue Service will not assert that the Debentures should be treated in a different manner. Such an alternative characterization could affect the amount, timing and character of income, gain or loss in respect of an investment in the Debentures.

Pursuant to the rules applicable to contingent payment debt instruments you will generally be required to include amounts in your taxable income, as ordinary income, with respect to the Debentures in the manner described in certain "Certain United States Federal Income Tax Considerations-Accrual of Interest on the Debentures," regardless of whether you normally use the cash or accrual method of tax accounting. As a result, you will generally be required to include amounts in your taxable income based on the rate at which we would issue a noncontingent, nonconvertible, fixed-rate debt instrument with terms and conditions otherwise similar to those of the Debentures (which we have determined to be 9.05%), which rate will be substantially in excess of the stated interest rate on the Debentures. As a result, you will be required to include amounts in taxable income each year substantially in excess of the stated interest payable on the Debentures. Further, upon a sale, exchange, conversion, repurchase or redemption of a Debenture, you will be required to recognize gain or loss equal to the difference between your amount realized (which will include the value of our common stock if you exercise your conversion rights) and your adjusted tax basis in the Debenture, with any such gain (and with all or a portion of any such loss) being classified as ordinary income (or ordinary loss) rather than as capital gain (or capital loss). See "Certain United States Federal Income Tax Considerations." You should consult your tax advisor as to the United States federal, state and local (as well as foreign) tax consequences of acquiring, owning and disposing of the Debentures.

**Our interest deductions attributable to the Debentures may be deferred, limited or eliminated under certain conditions.**

An issuer of a convertible debt may not deduct any premium paid upon its repurchase of such debt if the premium exceeds a normal call premium. This denial of an interest deduction, however, does not apply to accruals of

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interest based on the comparable yield of a convertible debt instrument. Nonetheless, the anti-abuse regulation, set forth in Section 1.1275-2(g), grants the Commissioner of the Internal Revenue Service authority to depart from the regulations if a result is achieved which is unreasonable in light of the original issue discount provisions of the Code, including Section 163(e). The anti-abuse regulation further provides that the Commissioner may, under this authority, treat a contingent payment feature of a debt instrument as if it were a separate position. If such an analysis were applied to the Debentures and ultimately sustained, our deductions attributable to the Debentures could be limited to the stated interest. The scope of application of the anti-abuse regulations is unclear. The Company, however, is of the view that application of the Contingent Debt Regulations to the Debentures as contemplated herein is a reasonable result such that the anti-abuse regulation should not apply. If a contrary position were asserted and ultimately sustained, our tax deductions would be severely diminished with a resulting adverse tax effect on our cash flow and ability to service the Debentures.

Under the Code, no deduction is allowed for interest expense in excess of $5 million on convertible subordinated acquisition indebtedness incurred to acquire stock or assets of another corporation. If a significant portion of the proceeds from the issuance of the Debentures, either alone or together with other debt proceeds, were used for a domestic acquisition and the Debentures and other debt, if any, were deemed subordinated to certain creditors of the affiliated group, interest deductions for tax purposes in excess of $5 million on such debt would be disallowed. This would adversely impact our cash flow and our ability to pay down the Debentures. We do not currently anticipate that this limitation will apply but there can be no assurance of that fact.

**You may have to pay taxes with respect to distributions on our common stock that you do not receive.**

The conversion rate of the Debentures is subject to adjustment for certain events arising from stock splits and combinations, stock dividends, certain cash dividends and certain other actions by us that modify our capital structure. See “Description of the Debentures-Conversion Rights-Conversion Rate Adjustments.” If the conversion rate is adjusted as a result of a distribution that is taxable to our common stock holders, such as a cash dividend, you may be required to include an amount in income for federal income tax purposes, notwithstanding the fact that you do not actually receive such distribution. The amount that you would have to include in income will generally be equal to the amount of the distribution that you would have received if you had settled the purchase contract and purchased our common stock. In addition, non-U.S. holders of Debentures may, in certain circumstances, be deemed to have received a distribution subject to U.S. federal withholding tax requirements. See “Certain United States Federal Income Tax Considerations.”

**The Debentures do not restrict our ability to incur additional debt or to take other action that could negatively impact holders of the Debentures.**

We are not restricted under the terms of the indenture and the Debentures from incurring additional indebtedness or securing indebtedness other than the Debentures. In addition, the Debentures do not require us to achieve or maintain any minimum financial results relating to our financial position or results of operations. Our ability to recapitalize, incur additional debt, secure existing or future debt and take a number of other actions that are not limited by the terms of the indenture and the Debentures could have the effect of diminishing our ability to make payments on the Debentures when due. In addition, we are not restricted from repurchasing subordinated indebtedness or common stock by the terms of the indenture and the Debentures.

**Conversion of the Debentures will dilute the ownership interest of existing stockholders, including holders who had previously converted their Debentures.**

The conversion of some or all of the Debentures will dilute the ownership interests of existing stockholders. Any sales in the public market of the common stock issuable upon such conversion could adversely affect prevailing market prices of our common stock. In addition, the existence of the Debentures may encourage short selling by market participants because the conversion of the Debentures could depress the price of our common stock.

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**If you hold Debentures, you will not be entitled to any rights with respect to our common stock, but you will be subject to all changes made with respect to our common stock.**

If you hold Debentures, you will not be entitled to any rights with respect to our common stock (including, without limitation, voting rights and rights to receive any dividends or other distributions on our common stock), but you will be subject to all changes affecting the common stock. You will have rights with respect to our common stock only if and when we deliver shares of common stock to you upon conversion of your Debentures and, in limited cases, under the conversion rate adjustments applicable to the Debentures. For example, in the event that an amendment is proposed to our certificate of incorporation or bylaws requiring stockholder approval and the record date for determining the stockholders of record entitled to vote on the amendment occurs prior to delivery of common stock to you, you will not be entitled to vote on the amendment, although you will nevertheless be subject to any changes in the powers, preferences or special rights of our common stock.

**We have various mechanisms in place to discourage takeover attempts, which may reduce or eliminate our stockholders' ability to sell their shares for a premium in a change of control transaction.**

Various provisions of our certificate of incorporation and bylaws and of Delaware corporate law may discourage, delay or prevent a change in control or takeover attempt of our company by a third party that is opposed to by our management and board of directors. Public stockholders who might desire to participate in such a transaction may not have the opportunity to do so. These anti-takeover provisions could substantially impede the ability of public stockholders to benefit from a change of control or change in our management and board of directors. These provisions include:

- preferred stock that could be issued by our board of directors to make it more difficult for a third party to acquire, or to discourage a third party from acquiring, a majority of our outstanding voting stock;
- classification of our directors into three classes with respect to the time for which they hold office;
- supermajority voting requirements to amend the provision in our certificate of incorporation providing for the classification of our directors into three such classes;
- non-cumulative voting for directors;
- control by our board of directors of the size of our board of directors;
- limitations on the ability of stockholders to call special meetings of stockholders; and
- advance notice requirements for nominations of candidates for election to our board of directors or for proposing matters that can be acted upon by our stockholders at stockholder meetings.

We have also approved a stockholders' rights agreement (the "Rights Agreement") between Euronet and EquiServe Trust Company, N.A., as Rights Agent. Pursuant to the Rights Agreement, holders of our common stock are entitled to purchase one one-thousandth (1/1,000) of a share (a "Unit") of Junior Preferred Stock at a price of $57.00 per Unit upon certain events. The purchase price is subject to appropriate adjustment for stock splits and other similar events.

Generally, in the event a person or entity acquires, or initiates a tender offer to acquire, at least 15% of Euronet's then outstanding common stock, the Rights will become exercisable for common stock having a value equal to two times the exercise price of the Right, or effectively at one-half of Euronet's then-current stock price. The existence of the Rights Plan may discourage, delay or prevent a change of control or takeover attempt of our company by a third party that is opposed to by our management and board of directors.

## USE OF PROCEEDS

The securities to be offered and sold using this prospectus will be offered and sold by the selling security holders. We will not receive any proceeds from the sale by the selling security holders of Debentures or shares of our common stock issued upon conversion thereof that are offered pursuant to this prospectus.

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**RATIO OF EARNINGS TO FIXED CHARGES**

The following table sets forth our ratio of earnings to fixed charges for the indicated periods.

| Fiscal Year Ended December 31, | | | | | Nine Months Ended September 30, | |
|---|---|---|---|---|---|---|
| **2004** | **2003** | **2002** | **2001** | **2000** | **2005** | **2004** |
| 4.56 | 2.96 | — | 0.99 | — | 6.07 | 4.56 |

For purposes of computing the ratios of earnings to fixed charges, earnings consist of income before taxes plus fixed charges, and fixed charges consist of interest expense and the portion of rental expense under operating leases representative of an interest factor. In 2000 and 2002, our earnings were insufficient to c